



Comptroller General
of the United States
Washington, D.C. 20548

Decision

Matter of: Advanced Management, Inc.

File: B-251273.2

Date: April 2, 1993

James K. Davis, Esq., for the protester.
Mike Colvin, Department of Health and Human Services, for the agency.
Richard P. Burkard, Esq., and John Brosnan, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

1. Protest that agency improperly evaluated qualifications of two of protester's proposed personnel is denied where record supports the technical scores assigned to the proposal based upon the resumes submitted for the individuals.
2. Agency's conclusion that the incumbent would perform more efficiently than a new contractor at the beginning of the contract in balancing price and technical considerations was not the improper application of an unstated evaluation factor but simply a tool in performing the cost/technical tradeoff.

DECISION

Advanced Management, Inc. protests the award of a contract to Ellsworth Associates, Inc. under request for proposals (RFP) No. 48-92-HHS-OS, issued by the Department of Health and Human Services, Administration for Children and Families (ACF), for information resources management facilities support services. The protester argues that the agency improperly evaluated two of its proposed personnel and that it applied an unstated evaluation factor in making its cost/technical tradeoff decision.¹

¹In its initial protest, Advanced Management raised additional arguments. For example, it complained that the awardee lacked corporate experience and that the agency's evaluators did not have adequate technical backgrounds. The agency rebutted these arguments in its report. The protester has not responded to the agency's position

(continued...)

We deny the protest.

The RFP, issued on July 8, 1992, as a small business set-aside, contemplated the award of a labor hour contract for a base and 3 option years. The RFP stated that the ACF is currently operating 45 local area network (LAN) file servers in its headquarters and 10 regional offices, with approximately 2,000 microcomputer desktop workstations attached. Section C of the RFP set forth the support services required as follows: (1) LAN operations; (2) LAN management and performance monitoring; (3) user "help desk"; (4) training; and (5) telecommunications support. Each of these categories contained general descriptions of work to be performed. For example, under LAN management and performance monitoring, the contractor was required to "[p]rovide management and performance monitoring support for the Banyan LAN computer System in ACF. This includes software configuration management, hardware configuration, system utilization monitoring and LAN software installation and tuning."

Section C also set forth 11 labor categories, including project manager, senior LAN analyst, telecommunications analyst, and information center specialist. For each category, the RFP listed specific contract responsibilities and experience requirements. Estimated hours were provided for each labor category and offerors were to offer a fixed hourly rate for each labor category. The RFP explained that "in consideration for the satisfactory performance of the work called for herein, the Contractor shall be paid for each hour of direct labor actually [expended] in the performance of said work at the rate, by job classification, specified below [in its offer]."

The RFP listed the following technical factors, worth a total of 100 points: (1) Understanding the Problem; (2) Project Management; (3) Personnel Experience; and (4) Corporate Experience. The RFP provided that the personnel experience factor was the most important factor and was worth 55 points, which were allocated among four subfactors, and that technical factors were more important than price. Offerors were also advised that price proposals would be evaluated to assess the realism of the proposed rates to determine the probable cost to the government.

¹(...continued)

concerning these issues; we therefore deem them abandoned. Information Ventures, Inc., B-247479, May 22, 1992, 92-1 CPD ¶ 467.

The agency received 15 proposals by the August 25 closing date. The agency's evaluators assigned Ellsworth's technical proposal the highest point score of 95.8, while Advanced Management received the next highest score, 90.2. Advanced Management submitted the low-priced initial proposal. Eight of the proposals were included in the competitive range, including the awardee's and the protester's, and discussions were conducted with those firms.

During discussions, the agency requested that Advanced Management clarify in its revised proposal the "qualifications and experience for the person proposed for the telecommunications area," noting that a resume was not provided for this individual. Additionally, the agency asked Advanced Management to explain how the "proposed information center person meets the requirements in the RFP for skills and experience?"

The protester submitted its revised proposal on October 15. The proposal offered a new "primary candidate" for the position of telecommunications analyst and enclosed a resume for this individual. Concerning the information center specialist, Advanced Management provided an item-by-item response to the agency's question based on the skills and experience requirements for the position as set forth in the solicitation. As a result of the revisions, the agency increased the protester's technical score to 91.6. Ellsworth's proposal also received a slightly improved technical score of 96.8.

The agency subsequently requested and received best and final offers. Both Ellsworth and Advanced Management reduced their prices. The protester's total evaluated price remained low at \$2,561,717, while Ellsworth's evaluated price was \$2,852,460. The total evaluated prices were calculated based upon the hour estimates set forth next to each of the 11 labor categories. In making the selection decision, the agency noted that Ellsworth's superior technical score reflected its highly qualified personnel and that the higher price was justified by the need for high salaries to attract its better qualified people. Further, the selection memorandum provided that if the contract were awarded to Advanced Management, a nonincumbent, the firm would require a "start-up period of 8-12 weeks" before it would "get on an operational footing." In other words, the agency evaluators concluded that Advanced Management would initially require additional hours to perform the contract at the same level of efficiency as Ellsworth, the incumbent. The contract was awarded to Ellsworth, and this protest followed.

Advanced Management argues that the agency did not adequately document the justification for the scores that it assigned to its technical proposal. Specifically, the firm asserts that in response to the agency's discussion questions, it made revisions to its proposal addressing the agency's concerns about its proposed telecommunications analyst and information center specialist. The protester contends that its proposal did not receive adequate credit for the changes made, stating that the contemporaneous evaluation record does not show why the evaluators assigned its proposal only an additional 1.4 points under the personnel experience factor as a result of the changes. The protester argues that in light of the close technical scores and its low price, the agency's failure to provide a basis for the final scores assigned is egregious since a minute change could undercut the justification for awarding to the higher-priced offeror.

In determining whether a particular evaluation conclusion is rational, we examine the record to determine whether the judgment was reasonable and in accord with the evaluation criteria listed in the solicitation. Abt Assoc., Inc., B-237060.2, Feb. 26, 1990, 90-1 CPD ¶ 223. Such judgments are by their nature often subjective; nevertheless, the exercise of these judgments in the evaluation of proposals must be reasonable and bear a rational relationship to the announced criteria upon which competing offers are to be selected. Hydraudyne Sys. and Eng'g B.V., B-241236; B-241236.2, Jan. 30, 1991, 91-1 CPD ¶ 88. Implicit in the foregoing is that these judgments must be documented in sufficient detail to show that they are not arbitrary. Beckman Instruments, Inc., B-246195.3, Apr. 14, 1992, 92-1 ¶ 365.

The record here consists of the contemporaneous worksheets of the evaluators which contain narratives describing the strengths and weaknesses of the initial proposals under each of the evaluation factors as well as a numerical score for each factor and subfactor. The agency evaluators met and reviewed the revised proposals submitted in response to the discussion questions, and although there are no contemporaneous written comments about the changes, the agency reports that the evaluators adjusted the numerical scores based on their assessment of the merits of the changes made in the proposals. During the course of this protest, the agency provided further narrative detail to explain its evaluation of the protester's revised proposal under the evaluation factors at issue here. While Advanced Management contends that we should only consider contemporaneous evidence, we review the adequacy of the evaluation based upon all the information in the record,

including the arguments of the parties.² Hydraudyne Sys. and Eng'g B.V., supra.

Based on this review, we find that the agency reasonably evaluated the protester's revised proposal. The protester's proposed telecommunications specialist was evaluated under the personnel experience subfactor relating to telecommunications systems planning and management, which was worth 15 points. The evaluators initially assigned the protester's proposal a score of 10.4 under this subfactor based on a summary of the proposed telecommunications specialist's qualifications. After reviewing the resume of the individual Advanced Management proposed in response to one of the agency's discussion questions, the evaluators increased the protester's score.

We find nothing objectionable about the failure of the evaluators to increase the score further. The agency explains that the new individual proposed for this position did not have the required 5-years experience in planning, configuring and implementing LAN communications and coordinating mainframe communications with other systems staff as required by the RFP. Rather, the agency states, the individual's experience was primarily in the area of installing networks. The record supports this, and the protester has not presented any information to rebut the evaluators' conclusion. We therefore think the evaluators had a reasonable basis for scoring the protester's proposal as they did in this area.

We reach a similar conclusion concerning the evaluation of Advanced Management's information center specialist. The agency awarded the protester's revised proposal 7.8 points out of a possible 10 under the personnel experience subfactor relating to user support services based largely on the evaluation of the qualifications of the proposed information center specialist. The evaluators did not award a higher score because they found that Advanced Management's proposed specialist did not possess "at least three (3) years experience in managing information facilities and services" as required by the RFP.

²While we consider the entire record, including statements made in response to a protest in determining whether an agency's evaluation is reasonable and consistent with the stated evaluation criteria, we accord greater weight to contemporaneous evaluation documents rather than to documents that were prepared in response to protest contentions. See DynCorp, 71 Comp. Gen. 129 (1991), 91-2 CPD ¶ 575.

Advanced Management stated in its proposal that its information center specialist acquired the 3-years experience in her current position with the firm and during her prior employment with another company. While the revised proposal stated that she has been "a manager of information centers for [Advanced Management] clients for over [2] years" the resume specifically stated that during this period, her duties were in the fields of project management, network engineering and LAN administration under a contract for the Resolution Trust Corporation." None of these positions appears to be comparable to the position for which she was proposed for this contract.

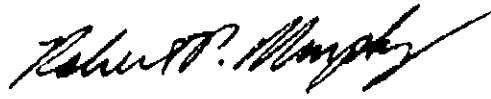
The resume also stated that while in the prior firm's employ she "provided Banyan Vines support to sales reps and customers; conducted users seminars and administrator seminars; loaded third party software on customer networks; and provided assistance to new customers in the planning and installation of networks." While the revised proposal states that during this period the proposed individual "worked in the capacity of manager of a center for several months on many different occasions," based on the specific statements in the resume it appears that this was not a significant aspect of her responsibilities with that firm. We therefore find a reasonable basis for the evaluators' conclusion that the combined experience of the proposed information center specialist did not meet the RFP requirement of 3 years in managing information facilities and services. Accordingly, we have no basis to object to the less than perfect score that was given the protester's proposal in this area.

Next, Advanced Management argues that it was improper for the evaluators to note in the final award selection that award to a new firm would result in a "start-up period" because there was no provision in the RFP concerning "start up." The protester contends that by considering the alleged start-up period in the final selection, the agency applied unstated evaluation criteria. We disagree.

Agency officials have broad discretion in determining the manner and extent to which they will make use of technical and price or cost evaluation results. Cost/technical tradeoffs may be made, and the extent to which one may be sacrificed for the other is governed only by the test of rationality and consistency with the established evaluation factors. Grey Advertising, Inc., 55 Comp. Gen. 1111 (1976), 76-1 CPD ¶ 325. Award may be made to the higher-rated, higher-priced offeror where the decision is consistent with the evaluation factors and the agency reasonably determines that the technical superiority of the higher-priced offer outweighs the price difference. See Oklahoma Aerotronics, Inc.--Recon., B-237705.2, Mar. 28, 1990, 90-1 CPD ¶ 337.

The evaluators stated that as a new contractor, Advanced Management would require a "start-up" period of between 8 and 16 weeks to "get on an operational footing" and that this would be a factor in offsetting the price difference between the protester and Ellsworth. Since, under the RFP, the contractor would be reimbursed for the hours worked, the initial edge in efficiency possessed by an incumbent such as Ellsworth would have an impact on actual price that the government would be required to pay. Thus, the evaluators here essentially considered the incumbent's initial efficiency advantage as a tool in assessing whether Advanced Management's price advantage outweighed Ellsworth's technical superiority. We see nothing improper with that approach. See Purvis Sys. Inc., 71 Comp. Gen. 203 (1992), 92-1 CPD ¶ 132.

The protest is denied.


for James F. Hinchman
General Counsel